AN ASSESSMENT OF THE DEVELOPMENT OF MARINAS AND BOATING ACTIVITIES IN MALAYSIA

by

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Abstract

This study provides an assessment of the development of marinas in Malaysia and the recreational boating sector. From the analysis of the current state of marinas and leisure boating in Malaysia, plus an evaluation of present and future trends in the marine leisure sector, a set of strategies is proposed towards making Malaysia a boaters’ haven and a marine tourism destination of choice. The study reveals that while Malaysia does not lack in international-class marinas and boating infrastructure, there is room for improvement to lure the boating community and promoting boating events to turn the country into a premiere boating destination. Although the country has what it takes to achieve this, a more systematic approach is needed to promote the development of boating activities and marinas for Malaysia to truly make its mark on the international boating map. There is also a compelling reason to plan marina development in Malaysia in a sustainable manner to ensure their surroundings are protected and precious resources are invested wisely. Boating and marina should be regulated to ensure that standards are in line with best practices and to raise its profile with the public. A wider range of ancillary services for boats and boaters should also be offered to attract foreign boaters to Malaysian shores and to encourage boat ownership among the locals. In creating a critical mass of local boat owners and enthusiasts, information about the activity and the related facilities and support services should be made easily available and accessible to the public. With all these in place, Malaysia would stand a better chance to compete with other countries in the region which are just as ambitious to attract more boaters to their marinas.
1. Introduction

1.1 Malaysia: A marine tourism paradise

As Malaysia diversifies its economy to include more services oriented activities, the tourism industry has emerged as a major contributor to its economic growth. Tourism activities trigger positive multiplier effects to the economy by way of encouraging foreign tourist spending on domestically produced goods and services, generating foreign exchange earnings, increasing government revenues through taxes, and creating employment in various manufacturing and services activities through inter-industrial linkages.

There is a rising interest in marine leisure and tourism in the South East Asia, based on the boom in water-based activities such as diving, snorkelling, windsurfing, canoeing and sailing in the region’s waters. More foreign tourists coming to the region’s shores to savour these activities and a growing number of locals are also taking to the sea as rising economic affluence affords them the opportunity to pursue marine recreational activities.

This trend can be clearly observed in Malaysia, a favourite holiday destination in this region. A steadily increasing number of local and foreign tourists are seeking relaxation, recreation and, occasionally, the ultimate challenge within the nation’s rich marine environment - on the beaches, the islands, the coastal estuaries, in the mangrove forests and even the deep and high seas.

Malaysia’s stunning natural marine assets are drawcards to attract marine tourists to the country. The government has given a lot of attention and has spent a significant amount of resources to develop and highlight these attractions. It also encourages the development of facilities such as hotels, resorts and marinas\(^1\) to cater to the increasing volume of marine tourists.

Over the years, Malaysia has done well to leverage on its natural attractions and position itself as a popular marine tourism destination. Tourism is now the second largest foreign exchange earner for the country after manufacturing.\(^2\) The country is currently experiencing a marked geographical shift in foreign tourist arrivals as a result of recent global events.\(^3\) Correspondingly, maritime-related leisure activities have grown in leaps and bounds in Malaysia and have developed into an important segment in the country’s tourism industry and a vital source of income earner.\(^4\)

\(^1\) Generally speaking, marinas are facilities offering berthing and shelter for recreational boats and vessels, and providing facilities and services for a fee to meet the various needs of boaters and their boats. More and more marinas offer integrated facilities and services beyond boating-related ones to include recreational facilities such as accommodation, golfing, dining and shopping to cater to the growing ‘holidaymakers on sails’ crowd.


\(^3\) Malaysia is seeing a lot more tourist arrivals from the Middle East since the 11 September 2001 incident. This has been attributed to the fact that they have faced much inconvenience travelling to popular destinations in the West due to enhanced security measures and have turned to holidaying in countries seen as ‘less hostile’ to them. In the case of Malaysia where Islam is the official religion, Middle Eastern tourists find the country very accommodating. This partly explains the influx of West Asian tourists into the country since the ’9-11’ incident.

\(^4\) Marine tourism contributed 11.86% or RM31.0 billion to the Malaysian GDP in 2005.
The government, through the National Tourism Policy,⁵ has identified several areas of focus to boost marine tourism development in the country. They include the development of:

- integrated resorts featuring beaches, hills and other locations for suitable high-yield international tourists;
- supporting infrastructure for adventure tourism and eco-tourism; and
- facilities and ancillary infrastructure such as jetties featuring Customs and immigration services for cruise tourism.

1.2 Luring boaters to Malaysian shores

Malaysia has joined a growing number of countries in the region which has become aware of the potential of its marine environment for tourism. Being a nation whose sea area is much larger than its land mass, it is truly blessed with stunning marine surroundings and weather conditions which are conducive to year-round sailing. Much effort and resources have been spent to exploit this potential and to promote marine tourism including ‘nautical tourism’ via sailing holidays and boating activities.

The Malaysian government has recognized the importance of marine tourism by encouraging its further development and providing incentives to operators of such activities and providers of supporting facilities such as berthing and maintenance. This support is manifested in various forms including tax exemption from rental income of leisure crafts and yachts.⁶ It is as a result of such efforts that the idyllic island of Langkawi has emerged as a haven for yachting enthusiasts.⁷ Featuring marinas of international standard and an international yacht registry,⁸ and supported by superb tourism infrastructures including an international airport, a passenger jetty and excellent accommodation, Langkawi has benefited tremendously from the government’s relentless efforts to promote it as a premiere marine tourism destination.

Few countries in the Asian region can match Malaysia in terms of offering a dazzling kaleidoscope of natural surrounding, rich heritage and amazing culture. Besides its stunning wealth of bio-diversity attractions, its tourism promotion tagline of ‘Malaysia : Truly Asia’ says all about its unique multi-cultural composition that beckons tourists. While more of them are arriving via air and land transport, a growing number of visitors are making their entry into the country by means of the ocean, on leisure boats and yachts. They form a unique group of holiday travellers who eschew the relative convenience, speed and comfort of air and land travel to set sail in the open seas to reach their holiday destinations.

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⁵ The main objective of the policy, which is implemented by the Ministry of Tourism Malaysia, is to make the tourism industry the main source of income for the socio-economic development of the country.

⁶ Leisure crafts and yachts are custom-made boats designed for personal taste that demand a range and variety of designs, from standard requirements to innovative and extensive styling for the high-end boaters. They have a wide range of market segments, on which their design, engine and navigational electronic components are based.


⁸ The Langkawi International Yacht Registry Act 2003 provides a legal framework for the yachting industry in Malaysia and deals with the provision of registering yachts and yachting entities in the country. In addition, the Langkawi International Yachting Companies Act 2004 serves as an instrument to enable local and foreign yacht owners to incorporate companies in Langkawi specifically designed to carry out activities related to yachts.
As a boating destination, Malaysia has a lot of things going for her – hundreds of kilometres of pristine coastline, rich marine biodiversity, beautiful marine national parks, enormous ocean expanse, sheltered coves and favourable conditions for year-long sailing. These have put the country on the agenda of many travellers worldwide in search of marine leisure activities and experience. The Visit Malaysia Year 2007 campaign is expected to bring a greater number of tourists into its shore. Many of them will no doubt pursue a host of marine leisure activities and savour the nautical attractions that the country offers in abundance.

2. Overview of the study

2.1 Background

A study titled ‘Marine Leisure Industry : A Strategic Vision for Malaysia’ conducted by MIMA in 2003 proposed an overall strategic plan to develop the marine leisure industry in Malaysia. This paper aims to build on that study by focusing on marina development infrastructure in the country and evaluating the effectiveness of the manner in which they are being developed. It is hoped that the recommendations put forth in this study could be helpful in addressing the problems and weaknesses in the sector, and could lead to the development and promotion of marinas in a more effective and sustainable manner towards making Malaysia a boaters’ haven.

2.2 Problem statement

Malaysia’s attraction as a marine leisure destination is undeniable and the country can boast a string of marinas of international class. However, not all of them enjoy a satisfactory rate of occupancy nor perform well financially. Part of the reason for this limitation is that the marinas can only cater for a small percentage of leisure boats and some only target the exclusive high-end markets, namely the expensive yachts and luxury boats. To add to this, Malaysia is overshadowed by the reputation of Phuket in Thailand as a regional centre for international marina activity, which offers excellent facilities and strategic location. Malaysia is also facing increasing competition from marinas in neighbouring countries in the region. There are also issues involving the lack of strategic planning to develop marinas in a sustainable manner and the lack of promotion of marinas in Malaysia. As such, it is essential to conduct an in-depth assessment is conducted to determine the viability of the present marina development strategy to support the government’s relentless efforts to make Malaysia a premier marine leisure destination.

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10 Assessment made based on the responses by marina operators to a survey conducted in mid-2006.

11 It was estimated that there were only around 3,000 ‘mega yachts’ worldwide and such yachts followed well-established sailing routes, mainly involving the world’s most established ‘marine playgrounds’. See Gill, D., Facilities that keep boating buoyant, The Star, 17 June 2003. A Malaysian boat supplier interviewed in November 2006 estimated that “at most”, there could only be 1,500 local recreational boat owners, not all of whom were active sailors. This partly explains the low level of their patronage at local marinas.
Critics argued that there were more marinas than a country of modest size and population like Malaysia could sustain and benefit from. They contended that the spate of marina development in the country had not paid much attention to the long-term viability and sustainability of their business strategy. This is underlined by the fact that some marinas, built at huge costs, run the risk of becoming ‘white elephants’ due to the poor planning of their development and inability to lure boaters. Some are saddled with poor financial performance; and some have not even recorded any profit since they started operations. Compounding this is the perception of several boaters who pointed out that Malaysia did not offer a truly unique experience and compelling attraction for them to call at our marinas or for them to recommend them to other boaters.

In addition to these, the country lacks a well-developed plan to develop marinas and boost boating activities in the country. Although there are several marinas equipped with facilities of international standards, the country still lacks critical mass participation in boating. There is also a lack of awareness among the public about marinas and boating due to poor promotion. Another oft-cited reason offered in explaining the sluggish public response to boating is that it is an ‘elitist’ pastime which is too expensive for the masses to pursue. These are among the issues – perceived or real - hampering the development and promotion of marina-based activities that this paper will attempt to address.

### 2.3 Objectives

The main objectives of this study are:

- To provide an assessment of the development strategy of marinas in Malaysia and the effectiveness of current initiatives to lure the boating community.

- To evaluate if the current number of marinas in Malaysia are adequate, too many, or not enough to sustain viable business operations.

- To come up with a comprehensive strategy to leverage Malaysia’s attraction as a premiere boating destination via its marinas, based on an assessment of the current

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12 These are among the views articulated by boaters and marina operators spoken to during the ‘From Yangon to Manila Bay : A New Cruising Playground’ Symposium held in Kuala Lumpur in May 2005 and the Langkawi International Boat Exhibition (LIBEX) 2006 at Telaga Harbour Park Marina in Langkawi in November 2006.

13 The sad state of Kuala Kedah Marina, for example, is well-documented. Launched in 2003 with some fanfare, it now sits idly and has not been operational due to defects to its structure and the serious siltation problem it faces. See ‘State floats masterplan to salvage Kuala Kedah marina’, The Star, 6 May 2006.

14 Five marina operators responding to a survey conducted in mid-2006 stated that they had been operating at a loss for several consecutive years, some from the time they started operating. The majority stated that they were not making profit from the main ‘waterfront’ services but generated their income from supplementary services such as food and beverage, accommodation and golfing.

15 Personal communication with boaters at the ‘From Yangon to Manila Bay : A New Cruising Playground’ Symposium in May 2005.

16 Several casual visitors spoken to at LIBEX 2006 admitted to attending the exhibition merely out of curiosity and not due to their seriousness to pursue boating as a recreational activity. They did not think that they could ever afford to get involved in boating due to their perception that it was, in the words of a visitor, “a rich man’s hobby”.
scenario and the projection of trends and future growth potential of the boating segment.

2.4 Research methodology

Among the activities undertaken in preparing this paper, besides secondary research, were:

- Visiting marinas and yacht clubs, namely the Royal Port Dickson Yacht Club and the Admiral Marina & Leisure Club in Port Dickson; the Royal Langkawi Yacht Club, the Awana Porto Malai, the Rebak Marina Harbour and the Telaga Harbor Park Marina in Langkawi; the Tanjong City Marina and Batu Maung Marina in Penang; and the Royal Selangor Yacht Club in Port Klang to understand their operations and plans, and to gain insights from their managers on the state and direction of boating in the country.

- Visiting boating associations and clubs, namely the Royal Malaysian Navy Boat Club in Lumut and Melaka Sailing Association, to gather their opinions and feedback on the issues faced by boaters and their hopes and expectations of how to promote boating activities in Malaysia.

- Attending the ‘From Yangon to Manila Bay : A New Cruising Playground’ Symposium in Kuala Lumpur in May 2005 to understand current issues and trends in boating and marina operations, and to network with the stakeholders and industry players.

- Attending the Langkawi International Boat Exhibition (LIBEX) 2006 held at the Telaga Harbor Park Marina, Langkawi on 24-27 November 2006. LIBEX 2006 brought together key players of the marine and yachting industry in the region and was timed to coincide with the last leg of an international yacht rally. The exhibition provided the research team with the opportunity to build networking with the vendors, promoters and sailors involved in the boating sector and obtaining their views and insights. This helped tremendously in developing an understanding about the potential, issues and problems of boating and in getting a grasp of the sector’s various components and activities.

- Conducting surveys among marina and yacht club operators of their profile and patronage characteristics and soliciting their views about the state of affairs of marina development and boating in the country.

- Interviewing officials from the Malaysia Tourism Promotion Board, and the Ministry of Transport and other stakeholders in the boating industry such as boat manufacturers, boat and marine equipment suppliers and boating enthusiasts.
3. Global boating trends: An overview

3.1 Boating’s growing popularity

Since time immemorial, humans have always taken to the sea in pursuit of livelihood, trade, territorial expansion, commodities and freedom, among other reasons. With the fulfilment of these basic needs, a new desire has emerged – to turn to the seas for recreation and leisure. With money and time to spare, many among the more prosperous segments of society have taken to seek ‘marine playgrounds’ and pursue marine activities as an extension of their wealth and prosperity. Changing patterns of human habitation and changing social perception have also contributed to the growth in the pursuit of water-based leisure.

It is natural for wealthy people from developed countries with cold climates to travel to the tropics to enjoy the warm weather. More and more of them are doing so on their boats and are seeking fun in the sun via the seas. This is manifested by the tremendous growth of boating activities, and their related infrastructure and services, in regions with tropical climates. It is not surprising then that the momentum of growth in such activities is largely fuelled by the affluent expatriate community. However, a growing number of the so-called nouveau riche from developing countries are eagerly purchasing boats and pursuing yachting as a statement of their success and wealth.

Among the many activities in marine tourism, boating has been getting a lot of focus for its amazing growth and tremendous potential. Various reasons can be attributed to its increasing popularity, among others:

- **Active advertising and promotional campaigns.** These generate awareness among the public about the related facilities and services available for boating and galvanize their interest to pursue boating. The promotion of boating as a fun pursuit appeals to the general public.

- **Accessibility.** Unlike an activity such as diving for which one needs a license, boating is a relatively easy activity that can be undertaken individually or in groups. There are yacht clubs providing easy-to-follow sailing lessons and there are associations promoting organized boating to the public. There are also various classes of boats starting from the simple dinghy for beginners to ‘super yachts’ for the super rich, hence making the activity appealing to a broad segment.

- **Changing demographics and perception.** More people are getting richer and at a younger age, hence putting them in a position to afford undertaking boating activities or even investing in boats. The free spirits among them pursue freedom away from the rigours and routines of life on land, and seek freedom at sea. Social perception has changed to the point that such pursuit is now seen as a symbol of success and luxurious living. The branding of boating as a ‘lifestyle’, as opposed to just a sporting or a leisurely pursuit, has caught the imagination of

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17 Malaysia’s famed marine environment offers many marine-based activities, including jet skiing, windsurfing, sport fishing, surfing, diving and snorkelling, expedition cruising, sea kayaking, canoeing, ocean rafting, visiting coastal communities, coastal hiking and reef walking, coastal camping, underwater photography, nature walks and picnicking.
the more prosperous segments of society which associates such an activity with a
certain prestige that befits their social status.

- **The lure of the ‘intangible rewards’ of sailing.** Part of the appeal of sailing
across the seas is the opportunity to discover nature and interesting places.
Natural beauty and the tropical climate of a destination are the main attraction for
boaters to call at marinas in this region. The stunning landscapes, crystal clear
waters, sandy beaches and sunny year-round climate offer ‘just rewards’ for
sailors who have slogged it out at sea. The sense of achievement and thrill of
calling at a marina and exploring the land beyond the shores is also a strong pull
factor to lure people to take up the activity. And as stated earlier, there is a certain
glamour attached to the ‘boating lifestyle’ that makes it appealing to the rich and
famous.

For many boaters, sailing is only a part of the fun. The camaraderie, networking
and friendship among fellow sailors, forged through a host of activities on-shore,
is as much a part of the fun as setting sail in regatta competitions and round-the-
world voyages. The bond developed with fellow sailors and enthusiasts also
forms a critical part of the boating experience and can be as rewarding as the
opportunity to travel and the sense of achievement attained from sailing.

### 3.2 Boating destinations

There are many areas in the world blessed with natural features that make them
boaters’ havens. Among the world’s most popular destinations for boating and
marine tourism are the Caribbean, the Mediterranean (for example, Monte Carlo in
France and Sardinia in Italy) in Europe, Australia’s Gold Coast, and the waters off
California and Florida in the United States. They offer a wide range of facilities
beyond serving boats and boaters, including holiday resorts, residential, recreational
and business infrastructure and their related services. New marine playgrounds and
marina infrastructures are also emerging in nations such as Croatia and Greece.

Closer to home, there are marinas in the South East Asian region featuring what can
be described as world-class facilities, with fully integrated marinas complete with
residential units and retail resorts. The ‘elite’ regional marinas such as the Royal
Phuket Marina in Thailand and the Raffles Marina in Singapore have ample facilities
complementing luxury waterfront villas and condos. They provide amenities that
cater to almost every need of boaters, including maintenance and boat services;
residential, retail and leisure facilities resorts; round the clock security; and
communications systems such as ship-to-shore radio and wireless broadband. They
also offer more affordable maintenance and running costs of boats compared to the
marinas in Europe.

Among the emerging tourism trends, the ‘boating lifestyle’ has emerged as a leading
tourism attraction in this region. Japan and Hong Kong have emerged as the region’s

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18 Sea Yachting (various issues).
19 Asia-Pacific Boating (various issues).
20 From the websites of various regional marinas in Singapore and Thailand.
largest boating markets, not surprising given their strong seafaring and boating traditions and their high levels of affluence.\textsuperscript{21} The economic rise of China has also resulted in the boating lifestyle fast catching on among the more prosperous segments of its society. As a result of growing local demand, the economically vibrant Pearl River Delta in China is seeing a mushrooming of boatyards capable of building pleasure crafts for export.\textsuperscript{22} More international boat shows are being held in major Chinese cities such as Beijing, Shanghai and Guangzhou, reflecting an industry eager to tap on the country’s growing affluence and enormous potential as an emerging market for marine leisure activities.\textsuperscript{23}

Underlining the tremendous growth of boating in the Asian region, new destinations are being developed and new markets being explored to promote boating activities. Besides countries with established boating attractions and infrastructure such as Malaysia, Thailand and Singapore, nations such as the Philippines, Vietnam and even Myanmar are now increasingly offering marine adventures in previously unexplored locations for boaters. They are beefing up the related facilities such as marinas and tourism-related services to attract more boaters.\textsuperscript{24}

4. Marinas in Malaysia

4.1 Development of marinas

Central to the promotion of marine tourism in Malaysia is the development of marinas to cater to the ‘nautical tourists’, specifically those arriving in leisure vessels of all classes, shapes and sizes. Marinas provide a welcoming port of call in a sheltered harbour to weary ocean travellers to rest tired limbs, to socialise with fellow sailors and to fine-tune their boats and yachts after being battered by the elements in the open seas. At the same time, marinas provide a base from which boat owners relieve themselves of the strenuous roles and duties of sailors and become holidaymakers exploring the attractions of the environment around and beyond the marinas.

Blessed with tropical weather, most Malaysian marinas (see Appendix I) provide year-round boating, although the East Coast of Peninsular Malaysia is hampered by rough seas during the monsoon season. The country’s renowned high-biodiversity marine environment also offers attractive cruising grounds and rewarding boating experience. Malaysia provides a relatively low cost to engage in boating and marine tourism activities for foreign sailors from developing nations who enjoy favourable exchange rate between their currency and the Malaysian Ringgit.

In Malaysia, marina development can be best described as facility-driven. The private sector provides the lion’s share of the financing for marina development, while the Government provides promotional support via efforts undertaken by the Malaysia Tourism Promotion Board under the Malaysian Ministry of Tourism. There are also public marinas under the purview of the Marine Department. However, Malaysia

\textsuperscript{22} Enright, J., & Scott, E. (2005), The Greater Pearl River Delta, a report commissioned by Invest Hong Kong, 3rd edition.
\textsuperscript{23} From the websites of various international boatshow calendars and boat exhibitions.
\textsuperscript{24} Sea Yachting and Asia-Pacific Boating (various issues).
does not have a national marina or pleasure craft boat association, but the Ministry is promoting the formation of a Malaysian Marine Tourism Coordination Centre and Council to coordinate the development and activities in this sector.

The importance of marina development in Malaysia was underlined in the Second Industrial Master Plan 1996-2005 which stressed the need to develop marinas to cater for the increased market demand for leisure crafts, boats and yachts in the country. In the plan, the Government identified marinas as a supporting pillar to boating activities. This is based on the premise that the availability of berths for boats and the related services and spin-off activities can bring numerous economic benefits to the country. The Government also encouraged the development of marinas in conjunction with the development of resort hotels, yacht clubs and tourist projects along the coastal area.

Further underscoring its keen attention on marina development, the Malaysian Government has recommended a plan of action to expedite the development of marinas to cater to the increased demand of leisure crafts and recreational facilities. Such development is included in the List of Promoted Activities under the Promotion of Investments Act, 1986. The Act gives priority status to marina development in the country. A 100% rebate for a period of five years is given to companies involved in the manufacturing of luxury yachts and motorboats - as announced in the year 2000 Budget - to boost the sector. In addition, there are plans to develop Malaysia into an international - or at the very least a regional - centre for the construction and repair of leisure crafts.

Although Malaysia is not as globally renowned as other popular boating destinations such as the Mediterranean and the Caribbean, or, closer to home, Phuket in Thailand, there are several marinas offering international standard facilities and services here. Since the country’s first marina, the Royal Port Dickson Yacht Club, was built in the seaside resort town of Port Dickson in 1927 to cater for British expatriate boaters, there has been a growing number of marina developments in Malaysia. Some new ones are also in the pipeline to cater to a growing number of boaters sailing to the Malaysian shores.

The existence of marinas has to be seen in the larger context beyond serving as a stopover for pleasure boats. By way of their roles and operations, they generate a string of multiplier effects along the economic chain, fostering the establishment and growth of companies offering various marina-related services. Marinas also generate a host of activities related to boating within their locations and beyond.

Among the host of ancillary services offered by the marinas in Malaysia and the companies they attract are:

- Marina designing and construction
- Boat designing
- Boat building / manufacturing
- Boat repairing / refitting / maintenance (including for superstructure, deck, rigging and underwater areas of boats)
- Boat lifting and slipping facilities
- Accredited training scheme and facilities
- Material suppliers and services
• Boat sales and brokerages
• Chartering of yachts
• Haul-out facilities
• Waste disposal facilities
• Yacht chandlery and management
• Jetty designing and construction
• Distribution services for marine products
• Media services
• Tourism promotion and travel agency services
• Customs, immigration and quarantine services

The development of marinas is critical in fostering recreational boating activity and promoting marine tourism in the country. The Government views marinas as a counterpart to hotels that can be promoted to potential tourists, hence will no doubt continue to give its support in promoting local marinas towards making Malaysia a boating haven. With growing per capita income Malaysia’s per capita income and the size of its middle-income group continues to grow, the growth prospect for recreational boating in the country is bright indeed. Hence, there is indeed a strong reason to be optimistic about the prospects of marinas and boating in the country.

4.2 **Main marinas**

Malaysia offers marinas all along its coast and premier island destinations. Its main marinas offer a host of services and amenities - some of which are of international-class - for boaters to moor and to socialise with other yachters. They also host several major sailing events in the international boating circuit.

Being at the crosswinds of Asian sailing, it is not surprising then that the best marina facilities in the country are located along the Strait of Malacca in the West Coast of Peninsular Malaysia. This is the main route taken by boaters travelling from Australia to Thailand, Africa and Europe. Langkawi, a premiere island resort located in this Strait, has carved a name for itself among international sailors as a boating destination featuring attractive natural features and excellent marinas.

As at December 2006, there were 20 marinas in Malaysia, while six others were in the pipeline – either under construction or planned. The facilities and services range from basic to international-class. Appendix I provides information about the country’s main marinas.

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25 The Second Industrial Master Plan 1996-2005 noted that the demand for pleasure crafts and yachts has a direct functional relationship with the economic strength of the country. Other influential factors include its geographical pattern, the disposable income of citizens and the boating culture of the people.

26 *Sail and Cruise*, Tourism Malaysia, Ministry of Arts, Culture and Tourism, p. 5.

27 Information from the Maritime Infrastructure Development Unit, Minister of Transport Malaysia.

28 While the country’s top marinas are renowned for their international class facilities and services, the operators of some of the smaller marinas interviewed readily admitted that their marinas did not have adequate facilities nor enough qualified personnel to serve bigger and more sophisticated leisure vessels.
The latest additions to the growing number of marinas in Malaysia include:

- **Kuala Kedah Yacht Marina** near Alor Star. Completed in 2004, the palatial appearance of the castle-like structure belies its woes. The surrounding Kuala Kedah river mouth has, over the past decades, suffered decreasing navigation depths, predominantly as a result of severe siltation from river mouth sedimentation which renders it inaccessible to boats. It now merely offers direct boat rides to Pulau Payar Marine Park, a popular diving spot south of Langkawi.

- **Tanjong City Marina** in Pengkalan Weld, Penang. Opened in 2005, the marina is part of an ambitious RM210 million integrated project developed to beautify the 1.5 km promenade that greets visitors coming by ferry to the island. The development of the marina is funded by the Federal Government and its operations are managed by Penang Ports Sdn Bhd (PPSB). Featuring docking berths that can accommodate 140 yachts and boats of various sizes, it played host in 2005 to the Raja Muda International Regatta, a prestigious regional regatta event. In promoting the marina, PPSB and the State government hope to put Penang on the map of international yachting events and on the radar of the boating community.

- **Pulau Duyung Marina** near Kuala Terengganu. The successful staging of the inaugural Monsoon Cup in 2005 has led to the development of a marina in the traditional boat making area of Pulau Duyung. Completed in 2005, the 200-berth Pulau Duyung Marina is the first marina built in the East Coast of Peninsula Malaysia. The Terengganu Heritage Bay Club or Kelab Teluk Warisan Terengganu was established at the marina in conjunction with the launching of the Monsoon Cup, with the aim of promoting Kuala Terengganu as a sailing centre for prestigious boating events as well as acting as a training ground for local and foreign sailing professionals and enthusiasts.

Encouraged by the Monsoon Cup euphoria, the Malaysian government is planning to develop other marinas in the East Coast of Peninsular Malaysia in Tioman Island and Mersing, in Johor. Conventional wisdom in the industry dictates that facilities attract boats; and based on this premise, the government has adopted a supply-driven strategy to lure boat owners to steer their vessels to the East Coast of Peninsular Malaysia. The Government is banking on the strategic location of the East Coast of the Peninsular to turn it into a crossroad for boats from Europe and Australia going up to Hong Kong, the region’s premier boating haven. In addition, the fast emerging Chinese market presents a tantalizing opportunity for the development of marinas on the East Coast of Peninsular Malaysia to be positioned as new stopover destinations for boats heading towards the lucrative Far East markets.

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30 The Monsoon Cup made its debut in Malaysia in 2005 in Pulau Duyung, Terengganu in the East Coast of Peninsular Malaysia. Part of the World Match Racing Tour international racing circuit, the inaugural Asian leg of the tour attracted top boat racing teams and was beamed to a worldwide TV audience.
The proposed marina project in Pulau Tioman, one of Malaysia’s famous island destinations, has incurred the wrath of environmentalists. The World Wildlife Fund voiced its ‘deep concern’ over the plan, cautioning that the project would have potential adverse impact on the coral reefs and marine life in the Marine Park, which are the main attractions of Pulau Tioman.\(^{31}\) Such strong opposition underlines the need for marina development in the country to be carried out in a manner sensitive to the preservation of the very environment that marina operators hope to benefit from.

### 4.4 Small berthing facilities

There are also lesser-known establishments offering berthing facilities to pleasure yachts all over the country. Smaller in size and in the scope of services and facilities compared to marinas, they mainly serve smaller boats such as small pleasure crafts and passenger boats. There are several installations owned by private companies featuring berths on pontoons and basic repairation and maintenance services for small boats. Some are run by the Marine Department of Malaysia, catering mainly to its own boats and vessels. However, private boats can make prior arrangements with the department to anchor at select bases. These ‘mini marinas’ include:

- Batu Uban Marina, Penang
- Batu Maung Marina, Penang
- Pasir Bogak Anchorage, Pulau Pangkor
- Muar Marina, Johor
- Miri Marina, Sarawak
- Kudat Marina, Sabah

### 4.5 Marinas in Sabah and Sarawak

The aggressive promotion of marine tourism in the East Malaysian states of Sabah and Sarawak deserves a mention. Although marina facilities in those states are limited and boat-related products and services are not as widely available compared to in Peninsular Malaysia, the state and Federal governments have taken note of the growing interest in boating in the Borneo region and have undertaken much effort to promote the activity there.

The establishment of the Sutera Harbour Marina, part of a luxury integrated resort along Kota Kinabalu’s picturesque waterfront, marks a milestone in the promotion of boating in Sabah. Yacht clubs in Kota Kinabalu, Tawau and Sandakan provide basic mooring facilities and clubs for local and international sailors and do their bit to promote amateur yachting and other marine sports to the locals. Various boating-related activities have been organized in the state such as the Kota Kinabalu Yacht Club’s Harbour Challenge Trophy for keelboats.

In Sarawak, there are berthing facilities for yachts in Kuching, Miri, Bintulu and Sibu, and a new marina is being developed in Miri to complement the oil town’s Piasau Boat Club. On the Federal Territory of Labuan, an international offshore financial centre, the Labuan Marina Centre on the island’s waterfront provides facilities for yachts to moor. Events such as the Rolex International Game Fishing Tournament in Labuan and the Miri-Labuan-Miri International Yacht Race have attracted the participation of local and foreign boaters alike.

The steady growth of boating in East Malaysia has not escaped the attention of international companies involved in the sector. Several prestigious boating-related companies have set up shop in the region to support the marinas and boating activities there. They include Simpson Marine, the largest yacht brokerage house operating out of Asia, which has an office in Kota Kinabalu.

All these underline the serious intent to make Sabah and Sarawak the hub of boating in the Borneo region in the years ahead. It is envisioned that the marinas there will provide the entry point and base for international boaters to explore not only the region’s rich marine environment but also its renowned eco-adventure attractions and famed flora and fauna.

5. Boating activities in Malaysia

5.1 Overview

As marinas are critical infrastructures in facilitating boating activities, it is inevitable that marina development and the promotion of boating activities go hand in hand. Marinas and boats have a symbiotic, inseparable relationship. Marinas cannot be developed nor can they grow without boats, and the boating sector cannot fulfil their growth potential without adequate marina facilities and the supporting services.

<table>
<thead>
<tr>
<th>Year</th>
<th>Boats</th>
<th>Pleasure crafts*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>n/a</td>
<td>4</td>
</tr>
<tr>
<td>2002</td>
<td>3,840</td>
<td>0</td>
</tr>
<tr>
<td>2003</td>
<td>2,986</td>
<td>5</td>
</tr>
<tr>
<td>2004</td>
<td>1,984</td>
<td>1</td>
</tr>
<tr>
<td>2005</td>
<td>1,254</td>
<td>3</td>
</tr>
</tbody>
</table>

*Registered under Part IIA, Malaysian Shipping Ordinance 1952
Source: Marine Department of Peninsular Malaysia
Table 1 shows the number of boats[^32] and pleasure crafts registered in Malaysia over the last five years. The sharp decrease in the number of boats registered from 2003 to 2004 could possibly be attributed to the Severe Acute Respiratory Syndrome (SARS) outbreak in the region, which adversely affected global travel including sea travel.

Testimony to Malaysia’s growing reputation as a ‘marine playground’, boating has been recognized as one of the major marine leisure activities engaged by tourists in the country. The increasing number of tourists engaged in sailing and boating from 581,730 (5.5% of total tourists) in 2003 to 3,187,625 (19.4% of total tourists) in 2005, provides an indication of the growth and popularity of those activities in the country (see Table 2).

<table>
<thead>
<tr>
<th>Percentage of tourists engaged in boating</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of tourist arrivals</td>
<td>12,775,073</td>
<td>13,292,010</td>
<td>10,576,915</td>
<td>15,703,406</td>
<td>16,431,055</td>
</tr>
<tr>
<td>Total revenue from tourism (RM million)</td>
<td>24.22</td>
<td>25.78</td>
<td>21.29</td>
<td>29.65</td>
<td>31.95</td>
</tr>
</tbody>
</table>

*Source: Malaysian Tourism Promotion Board*

With the number of tourist arrivals expected to increase in the years ahead, the percentage of tourists engaged in boating activities should increase in proportion. This is in line with the growing popularity of boating and the expected corresponding increase in the number of marinas in the Asian region[^33].

5.2 **Boating associations and clubs**

As a measure of the increasing popularity of boating in Malaysia, there exists a number of boating associations and clubs in nearly every state in the country. Some of the organisations and associations provide sailing courses to members and non-

[^32]: According to the Malaysian Shipping Ordinance 1952, a boat means ‘any vessel below 500 gross tonnage (GRT) plying within the rivers of a State navigable by sea-going vessels or within the coastal waters of such State extending up to the outer limits of the Federation waters’.

[^33]: At the ‘From Yangon to Manila Bay: A New Cruising Playground’ Symposium, participants heard from speakers envisioning the creation of a new marine playground covering the long stretch of waters from Yangon in Myanmar all the way to Manila Bay in the Philippines, a stretch offering a stunning abundance of natural attractions and a host of facilities and services to boaters. The vision lays down the groundwork to ‘sell’ the stretch as a single boating destination to lure more boaters to the area and to spur the growth of boating and marinas in the region.
members. The Royal Selangor Yacht Club, for example, has a Sailing Academy that offers various boating courses, including yacht cruising, powerboat handling and shore-based training on yacht management. As for the boating clubs, they not only provide boating courses and facilities but also extend their services to provide family clubhouses and resort-like facilities. There were 20 boating and yachting associations and clubs throughout Malaysia as at December 2006, as listed in Appendix III.

With the exception of the Royal Malaysian Navy Yacht Club in Lumut which is situated in a restricted area and is only for the Royal Malaysian Navy personnel, membership in all the other boating and yachting clubs is open to the public. Such clubs provide boaters with an alternative to the busier and more expensive marinas, and some even offer basic facilities and value-for-money repairs for the budget-conscious owners of small yachts and boats.

5.3 Companies providing ancillary services

The presence of marinas in Malaysia has spurred the growth of various companies providing ancillary services to sustain the marinas and their boating clientele. These companies support the existence of the marinas and boating activities by providing a wide range of services which include boat manufacturing, chartering, brokerage, refitting, maintenance, marine engineering and cruise packages. Some companies such as like JG Boat and DK Composites have even made names for themselves on the international scene by providing sophisticated products and quality boating services. Some of these companies fly the Malaysian boating sector’s banner abroad by regularly participating in international marine leisure exhibitions. A list of companies providing ancillary services to marinas and boaters is provided in Appendix IV.

Besides local companies in the sector, the presence of internationally renowned foreign names on the Malaysian boating scene exemplifies their confidence in the exciting prospect of boating in the country. One such company is Sunsail, the UK-based world’s largest yacht charter company, which has established a strong presence in Langkawi by chartering out bareboat and skippered yachts. It also offers courses accredited by the Royal Yachting Association (UK) for those keen to learn the ropes of yacht handling and sailing. Simpson Marine, the world’s leading yacht dealer, has also established several offices in the country, underlining its eagerness to capitalize on the growing local boating market.

5.4 Boat races

Another indication of Malaysia’s growing reputation as an important destination in the international boating calendar is its active role in hosting several internationally renowned boat races. The main ones are:

- **The Raja Muda International Regatta.** Malaysia’s longest established regatta, held under the auspices of the Malaysian Yachting Association, has grown into a world-class island-hopping event for racers and cruisers. It covers a route along Malaysia’s west coast, starting at the Royal Selangor Yacht Club in Port Klang
and finishing with inshore races amongst the islands of Langkawi. This regatta forms part of the Omega Asian Yachting Circuit and includes one of the regattas that constitute the prestigious South East Asian Perpetual Cup Series.

- **The BMW Royal Langkawi International Regatta Series.** The inaugural event in 2003 was heralded as a stunning success and was followed by the second edition in 2005. The series include the class race challenge for the Prime Minister's Challenge Trophy, and the cruising and multi-hull class race for the Royal Langkawi Yacht Club’s Commodores Challenge Cup, Langkawi Sports Trophy and the Malaysian Multi-Hull Challenge Cup.

- **The ASEAN Regatta.** This annual four-day yacht racing event is held at the Admiral Marina and Leisure Club, Port Dickson. Comprising racing and cruising classes, the race typically commands the participation of top-level keelboats and serious racing sailors in the South East Asian region.

- **The Monsoon Cup.** The inaugural Monsoon Cup in 2005 was the first event of its kind held in the East Coast of Peninsular Malaysia, attracting top class teams from around the world. The second edition was held in November 2006, and on both occasions, the race was given prominent coverage by renowned all-sports TV channels, ESPN and Start Sports. In facilitating the event, the first marina facility in the East Coast of Peninsular Malaysia, the Pulau Duyung Marina was built. Upon the full completion of its development, the marina will feature a well-protected 500-berth marina with a six-meter depth.

The staging of the Monsoon Cup is a high-profile example of Malaysia’s intent to put itself on the map of boat racing. Although the two races have thus far been won by foreign teams, the entry of local teams reflected the increasing popularity of yachting in the country and the sport’s ability to attract corporate sponsorship. The involvement of local talents in the event augurs well with the nurturing of home-grown competitive boaters and provides them with the platform to test their mettle at the international level.

- **The Darwin-Bali-Langkawi Rally.** Starting in Darwin, Australia in June 2006 and ending at Telaga Harbor Park Marina in Langkawi in November 2006, the race attracted some 70 boats in a gruelling 3,000-km journey. The Malaysian-leg of the increasingly popular race was a collaborative effort between Sail Asia Sdn Bhd and Yayasan Cinta Bahari of Indonesia. The inaugural Langkawi International Boat Exhibition (LIBEX) 2006 was held in conjunction with the grand finale of the race, featuring many activities for boaters and visitors alike.

- **The Ao Chalong - Rebak Marina ‘Champagne Run’.** A feeder race for the Royal Langkawi International Regatta, this race was first held in 2004 and was organised by the Royal Langkawi Yacht Club in conjunction with Rebak Marina Langkawi and Thailand’s Ao Chalong Yacht Club. The race started from Phuket and ended in Pulau Rebak in Langkawi.

- **The Borneo Cup Yachting Challenge.** Organised by the State of Sarawak in 2004, the event included a yacht race from Labuan to Miri and a number of day races in Miri.
5.5 Boating-related events

Besides yachting rallies and boat races, several major boating-related events have also been organized in Malaysia in recent years, underlining its rising stature as a boating destination. More annual boat shows are gracing the local boating calendar, reflecting growing interest in the sector. These include:

- **‘From Yangon to Manila Bay: A New Cruising Playground’ Symposium** in Kuala Lumpur in May 2005, which attracted prominent international names in yachting and many international sailors and boating stakeholders.

- **Nautical Lifestyle Event**, an exhibition of luxury yachts and marine-related equipment, at Tanjong City Marina in Penang in December 2005.

- The choice of Terengganu as the penultimate stopover point of the eight-week **Asian Record Circuit Race**. In May 2006, Terengganu hosted the arrival of world-renowned sailor Dame Ellen MacArthur and her team in a record-breaking feat during the race onboard a 75-foot trimaran.34

- **Langkawi International Boat Exhibition (LIBEX) 2006** at Telaga Harbour Park Marina in Langkawi in November 2006.

- **Langkawi International Maritime and Aerospace (LIMA) Exhibition**. Although more military-oriented, some leisure boat-related products and services are also featured at the maritime segment of the bi-annual exhibition.

In addition to the races, there are water-based shows such as the International Boat Show held at Shah Alam Lake in Selangor and the boat displays organised by Explorer Marine Sdn Bhd, a pleasure boat manufacturer and equipment dealer based in Seri Kembangan, Selangor. The boat exhibitions in Malaysia typically showcase locally and internationally manufactured yachts, boats, engines, equipment and systems to the boating community. Although most boat shows more or less feature the same companies and wares, they are provide a useful platform to gather buyers, sellers and enthusiasts and to promote boating to the public at large.

With the growing popularity of boating, the orders and sales of boats have been brisk in the country among local enthusiasts.35 This is a clear indication of the increasing affluence of Malaysians and the corresponding rise in their interest in marine leisure and the associated activities. This also reflects to a certain extent the nation’s growing economy and the increasing number of those who find such pursuit affordable and attractive. The emergence of companies such as Customs Lifestyles Sdn Bhd offering yachting holidays on a Malaysian-made luxury mega yacht worth RM38 million is another indication of the growing market for such pursuits. All these developments echo rising consumer confidence in the country towards boating and augur well with its growth prospect.

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34 Starting from Hong Kong, Ellen MacArthur’s trimaran, B&Q, completed the four-leg Asian record circuit southwards via China, Vietnam, Thailand and Malaysia, breaking four new record times for the 1,350-mile route of the Asian Record Circuit from Hong Kong to Terengganu.

35 Assessment made by Mr. KC Thein Managing Director of Explorer Marine Sdn Bhd.
6. The state of play of marinas in Malaysia and future prospects

6.1 Marina development

The facilities and services provided by marinas in the country should not be defined within the confines of ‘conventional’ marina yardsticks. While some focus on providing ‘traditional’ marina facilities such as berths for boats and related services, others are, by virtue of their location and development concept, mere ‘conceptual’ real estate plays. Some of these facilities do not even have functional clubs or even common boating facilities. Such real estate-oriented developments seem to regard marinas as an afterthought to the development concept. They are aimed mainly at selling the allure of residential properties featuring the much-maligned concept of ‘waterfront living’, with marinas some basic boating facilities thrown in merely as ‘sweeteners’ to give the project a touch of glamour and prestige.

The proliferation of marina development in the country is by no means a reliable indication of a robust boating sector, though. Several marinas are besotted with problems and are operating under difficult conditions which hamper their growth. In some cases, their struggling operations even cast doubt on their sustainability. Examples include the Tanjong City Marina in Penang which could not function fully as two-thirds of its berths were too shallow and badly affected by the strong waves from the nearby passenger ferry jetty. The Kuala Kedah Marina was completed in 2004, but had yet to receive a certificate of fitness from local authorities due to building defects, not to mention the severe siltation problem it faces. Some marinas are located too closely to one another, casting doubt over the long-term viability of their business and the ability of their operators to create any meaningful and sustainable competitive advantage.

It is inevitable that in developing marinas, the natural setting of their surroundings has to be compromised to a certain extent. Marina development is all about location, as their main purpose of existence is to provide shelter and protection for boats from the harsh open seas. Some are located in surroundings with fragile environment such as natural riverine, as in the case of the Sebana Cove in Kota Tinggi, and low-density island such as the Rebak Marina Langkawi. Given such surroundings, it is paramount that marina developers abide by the concept of sustainable development to safeguard the very environment which they seek to profit from, as it is the lure of the natural surroundings that attracts boaters to the marinas in the first place.

It is important to emphasize that boaters have little tolerance for inconveniences at anchor and on land, having gone through the rough and tumble of the waves at sea. As such, they would not be too keen to call at marinas which do not have features such as good location, ample facilities and decent level of services. Many boaters interviewed are very sensitive to the surroundings of marinas and are particular about the attention paid by marina operators to environmental issues. One foreign boater spoken to was critical of what he deemed ‘filthy waters’ surrounding a newly built...
marina in Peninsular Malaysia where he anchored his boat, citing that such a condition was enough to put him off from visiting the marina again. Such a reaction warrants serious attention by the relevant parties as boaters who have had an unpleasant experience while mooring at a particular marina would not likely to drop anchor there again.

### 6.2 Linkage among marinas

It is observed that cooperation is lacking among the marinas in the country to link each other into a chain of marinas for the purpose of collective promotion. As it stands, each marina undertakes marketing and promotional efforts individually. This results in inefficient utilization of resources, duplication of effort and a lack of strategy to ‘sell’ Malaysia as a destination package to boaters. Very few participate in international exhibitions and promotional campaigns, and even fewer have the kind of resources or dedicated personnel to undertake business development and marketing efforts on a sustained and aggressive manner.

It is indeed a case of ‘every marina for itself’ when it comes to marketing and promotion. Any form of cooperation among marinas is forged in an informal and non-binding manner. This is partly due to the absence of a national body to look into such matter and other interests of marinas in the country. For example, the senior managers of the marinas in Langkawi - namely the Royal Langkawi Yacht Club Marina, the Telaga Harbor Park Marina and the Rebak Marina Resort - organize frequent discussions with each other to talk about issues of common interests and to explore areas of cooperation.39

Despite the absence of a national marina association in Malaysia, it is heartening to note that local marinas are aware of the need and importance to group under the umbrella of an association to discuss and promote common interests and objectives, not only at the national level but at the regional level. There is reason to be optimistic that this objective will be met in the near future. The next ASEAN Marine Tourism Symposium, a sequel to the ‘From Yangon to Manila Bay: A New Cruising Playground’ Symposium held in Kuala Lumpur in May 2005, was expected to discuss this agenda. It was expected that a key outcome of this meeting would be the laying of a foundation leading to the formation of the ASEAN Marine Tourism Council. The Council was expected to act as the apex body of all organisations involved in marine tourism in ASEAN to promote the growth of marine tourism in a regulated manner and via a coordinated approach.40 It is hoped that the establishment of such a grouping will provide Malaysian marinas with a solid platform to coordinate their activities and market their facilities and services in a more effective fashion to reach a wider market segment.

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39 Personal communication with Mr. Wicky Sundram, General Manager, Royal Langkawi Yacht Club on 23 November 2006.
6.3 Are there enough marinas in Malaysia?

Malaysia has arguably some of the region’s most modern and impressive marina facilities to complement its marine environment’s attraction. At a glance, the local marinas can be said to provide a satisfying range and degree of services to local and foreign boaters. Despite this, it is worth pondering whether the existing number of marinas plus the additional ones being planned can adequately cater to the current and projected capacity of leisure boats in Malaysian waters.

As it stands, there are over 1,000 berths (wet and dry) available at the top six marinas in the country. Probing questions should be asked if the development of these marinas, some of which involve public funds, is planned with a supply-driven strategy in mind or is based on solid cost-benefit analysis and exhaustive market study on boat arrivals and sailing trends.

Various people interviewed in the course of preparing this study – from boaters to marina operators – expressed their satisfaction with the number of marinas in Malaysia. Strong views have also been expressed that the country may well have - in the words of a marina manager interviewed - “too many berths and not enough boats”. However, it needs to be qualified that the opinions of a few may not represent the views of many, and should in no way be taken as a basis for policy direction in steering the development of marinas and the direction of marine tourism in the country. At most, they should just be seen as individual assessment on the state of affairs of marinas and the boating sector in Malaysia. But for what they are worth, the opinions of those interviewed can be used as a barometer in gauging the prevailing sentiment within the leisure boating community towards marina development in the country.

From the discussion with nine marina operators, all of them felt that Malaysia presently has enough marinas to cater to the current volume of boaters and their needs. It was striking to observe that none of them was of the opinion that there are too few or too many marinas in the country. This view is not surprising given that the marinas under their purview were always operating way below their capacity most of the time. Even in the busiest of times, such as during boat races or exhibitions, none of them enjoyed 100% occupancy, and some of the marinas had been operating at woefully low occupancy rate since beginning their operations. Several mentioned that there

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41 Several boaters spoken to at LIBEX 2006 were unreserved in describing of the marinas at Langkawi as “world class” or “international class”. However, such comments should be taken with a pinch of salt as there are no known standards or scale in the ranking of marinas. Obviously, to the more discerning boaters and to owners of superyachts and top-of-the-line leisure crafts, their definition of ‘world class’ or ‘international class’ marinas is a lot different from those who own smaller boats. In general, based on the interviews and conversations, many foreign boaters could not find much fault with the capacity of infrastructure and quality of services provided at the marinas in Langkawi.

42 The Malaysian government underlined in the 2003 Budget its serious intent to boost yachting tourism in the country by identifying 20 potential sites for marina development.

43 Personal communication with marina operators in Langkawi, Penang, Port Klang and Port Dickson in October and November 2006.

44 The manager of a marina in Port Dickson indicated that even during ‘the best of times’, his marina enjoys only 30% occupancy rate, for various internal reasons and owing to factors beyond the marina operators’ control. He reckoned that ‘a few’ other marinas in the country suffer the same low occupancy of their berths. Another marina manager estimated that his marina would need a 70% take-up rate to break even. At the other end of the spectrum, a marina operator in Langkawi enjoyed at best 80% occupancy rate, and even that happens only in
could be room for marinas to focus on specialized services, for example in the super yachts and powerboat segments. This observation was echoed by the Deputy Prime Minister, Datuk Seri Najib Tun Razak, who mentioned during the opening of LIBEX 2006 that Malaysia needed more focus to lure luxury yachts from other established boating destinations. It goes without saying that to be successful in doing so, the local marinas must be adequately prepared with the infrastructure and manpower to serve bigger and more luxurious yachts which need a different kind of handling and require more sophisticated facilities compared to smaller boats.

It is interesting to note that many stakeholders interviewed expressed their confidence that the current number of marinas should have adequate berths and capacity to support future growth in boat arrivals. They made this observation while being fully aware that the boating sector is going through a purple patch in the region and that Malaysia is poised to lure more boaters in the years ahead. The General Manager of a Langkawi-based marina even expressed his certainty that present berthing capacity and available facilities would be “more than adequate” to handle growing demand, even if Malaysia recorded “spectacular growth” in the number of arrivals.45

The opinions of several boaters, mainly from abroad, interviewed during LIBEX 2006 seemed to concur with those of marina operators. Most were indifferent to the quantity of marinas, but rather trained their focus on the quality of the facilities and services provided. They did not feel that the best local marinas lag too far behind in terms of facilities and range of services compared to the marinas in major boating regions such as in the Caribbean or the Mediterranean. In fact, several of them arriving for the first time on Malaysian shores seemed surprised that the level of facilities was excellent and had no complaint whatsoever about their quality.46 However, they pointed out that there is plenty of room for improvement in the level of services provided by the personnel at the marinas, perhaps comparing it to the level of services they had received at the world’s premier marinas.

Although boaters generally love the camaraderie of a big crowd of like-minded people at busy marinas, some spoke of their joy in calling at marinas which are not crowded. Such marinas afford them with the luxury of getting that little bit extra attention from the staff. Those interviewed did not feel that Malaysia should be in a rush to build more marinas, but instead, should focus on upgrading their facilities and level of services to handle bigger and more stylish yachts. Having moored at some of the best marinas the world has to offer, they appeared not particularly impressed by marinas with glamorous façade and palatial features, but instead put a premium on the practical aspects such as range of facilities, level of services and cost. Bear in mind that not all boaters belong in the high-end ‘Lexus category’: some of them are cost-conscious retirees and even enthusiasts who sell their worldly possessions to buy the boats of their dreams and sail the world’s oceans.

45 Personal communication on 24 November 2006.
46 A boat skipper from Australia at LIBEX 2006 said he was ‘taken aback’ by the quality of the facilities at the marinas in Langkawi which he deemed - and this may sound a little condescending - exceeded his ‘low expectations of marinas this side of Australia’s Gold Coast’.
6.4 Views of the boaters on marina facilities and services

It is one thing to have a good number of marinas and to offer facilities and services to the boating community. It is quite another to meet their expectations and to continuously exceed them in this competitive field. To do so, it is essential to assess the views of the boaters, yachtsmen and sailors who are increasingly spoilt for choice to moor their vessels in this region where marina operators are tripping over themselves to provide better activities and services to lure this unique group of tourists. This section discusses the opinions and evaluation of several boaters interviewed during LIBEX 2006 on what they thought would contribute to making the boating experience in Malaysia a pleasant one.

An important assessment made not only by several boaters but other stakeholders such as marina operators, boating service providers and the general public was that land access to marinas is extremely important in the success of their business.47 This is indeed an intriguing point as one tends to think of ‘access to marinas’ in the context of boats coming and leaving via the sea. To boaters, good road linkage between the marinas and the hinterland is crucial in their decision to call at marinas as it enables them to get supplies and services and explore the countryside. To marina operators, this feature is essential to their business for the simple reason that boaters would not be keen to moor at marinas which do not offer anything beyond boat-related facilities and clubhouses. To boating service providers and equipment vendors, good road access to marinas is crucial to facilitate the delivery of their services, wares and supplies to the marinas and to the boats they host. Land access to and from marinas is a critical factor that affects the timely delivery and costs of their services and the costs of the products and services provided by the vendors to the marinas.

With regard to access to marinas, the opinion of the general public is worth amplifying and warrants equally serious attention as much as the view of foreign boaters. To the locals, it is essential for marinas to be integrated into the lives of the local community and its economy for various socio-economic reasons.48 For one, connectivity between marinas and their hinterland crucial for local businesses to benefit from the marinas’ presence, the visiting sailors and the activities they generate. For local hobbyists and boat owners, access to marinas is important to provide them with a base from which to launch their boats and also to pursue water-related activities.49 For that to happen, marinas must have adequate facilities to provide a base for ‘lower-end’ marine leisure activities such as parasailing, jet skiing, canoeing, angling and snorkelling to enable the local community to participate in them.

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47 Personal communication with visitors and exhibitors at LIBEX 2006.
48 Personal communication with visitors at LIBEX 2006.
49 The plight of a marina in Peninsular Malaysia highlights the importance of this point. According to its manager, one of the reasons contributing to its low occupancy rate is the changed condition of the beach on which the marina is located. Works carried out to ‘rehabilitate’ the beach to extend the sand area for picnickers have resulted in a large distance between the marina and the water’s edge. This has made it difficult for boat owners to launch their boats from the marina, as more laborious effort is needed to do the job, not to mention the trouble in renting trailers to launch bigger boats.
These concerns underscore the belief of the locals residing in the vicinity of marinas that ‘charity begins at home’ and that they should not be left out of the marina-boating development equation. Marinas would do well to pay closer attention to their needs and to make meaningful efforts to blend their existence and operations with the local community and businesses. This would go a long way towards dispelling the perception of the local community that marinas are enclosed, isolated entities for the rich and famous which bring little benefit to the common people.

With regards to sailing around Malaysia, one point made by several foreign boaters worth noting is the importance of security not only for their boats while at sea but also at anchor. With respect to safety at sea, most were not terribly bothered with piracy cases in the Straits of Malacca, as they tend to make start-stop journeys between marinas when sailing along the waterway and they stick to routes close to the coast within the busy shipping lanes. Some also felt that the perceived threat of piracy and terrorism in the Straits and the waters around the region had been overblown. Quite frankly, they worry more about the challenges of sailing - and as an Australian sailor mocked, “the threat of overpriced marina fees”! - than the perceived security threat on their boats. It was interesting also to note that they perceived their vessels, even the large and obviously expensive ones, as “low-value targets” for terrorists. Admittedly, some did feel a little anxious about the security situation in the Straits, but not too worried enough for it to deter them from coming. They even gave the thumbs-up to the efforts undertaken by the littoral states of the Strait of Malacca to enhance security in the sea lane, but would be quite apprehensive to test the waters in more restive areas in the region such as in Northern Sumatra and the Southern Philippines.

Boaters are hardy risk-takers but they also put a premium on safety and security in pursuing their hobby. The security of their boats at marinas is not something they take for granted, even having braved the hardship that the seas and the elements dish out at them. Most boaters interviewed at LIBEX 2006 did not seem to be too worried about the safety of their boats anchored at Malaysian marinas as they have confidence in the level of security provided at local marinas. But despite this vote of confidence, the boaters would love to see sustained efforts to keep the waters they sail in safe from potential security threats. In addition to that, they thought the provision of comprehensive and up-to-date nautical and hydrographical maps of local waters and marker buoys around marinas would help avoid any untoward incidents such as groundings and collisions and would greatly boost the comfort level of boaters.

Another notable remark made by foreign boaters is the lack of promotion of Malaysian marinas in foreign markets. Most mentioned that prior to setting sail to Malaysia, they were more familiar with Phuket and even Singapore as the region’s premier boat centres. Some of them are regulars at boat shows worldwide, but could hardly recall seeing Malaysian involvement at the premiere events, or having come across any Malaysian campaign to promote its marine tourism. It could be a case of selective memory as Tourism Malaysia does participate in international exhibitions and has offices in close to 30 countries worldwide, and some marinas do exhibit abroad, but perception is a powerful force in the minds of consumers. As such, the perception of foreign boaters that Malaysia is not promoting its marine tourism and marinas aggressively should provide food for thought to the relevant parties involved.
Foreign boaters can be a demanding, contradictory lot who wants the best of both worlds. They place a premium on good facilities but at the same time they want such facilities to be offered amid pristine environmental surroundings. Many of those interviewed expressed their hope that Malaysia could ‘stay clean and green’, in reference to the country’s famed marine environment and its lush foliage, to attract them and others to savour the Malaysian experience. In other words, they want marinas and all the conveniences they offer, but they would also like the surroundings not to be over-developed.

In meeting this seemingly fickle but not unreasonable expectation, the country’s marina planners and developers will have to strike a fine balance between building and preserving, and between developing and conserving. A marina development approach based on the ideals of sustainable development not only preserves the environment - it also makes business sense as the development of too many marinas may lead to an unsustainable competition among them as well as causing imbalance between demand and supply. It will be a continuous tussle between the need to earn revenues and the conscience to safeguard the environment in providing the best of both worlds to visiting sailors. More importantly, marina developers should be mindful of the need to protect the environment for the benefit of future generations.

Despite their no-holds-barred views of the state of affairs of marinas in the country, most the foreign sailors interviewed were almost consensual in their admiration for Malaysia’s wonderful marine environment, natural riches and cultural heritage. They expressed their enjoyment of the quality of sailing in Malaysia – whose excellent weather, calm and warm waters, favourable winds and plentiful marine attractions being among the most praised features - and spoke of their desire to come back for more. They would also not hesitate to put in a good word for the country to other sailors based on their own holidaying experience in Malaysia and would strongly recommend other enthusiasts to set sail to its shores.

### 6.5 Features of patronage at local marinas

A survey conducted in May 2007 on nine marinas in the country reveals certain striking features of patronage at the marinas. The results show a considerable variety in the types of boats hosted by the local marinas – including sailing boats, sailing yachts, powerboats, catamarans and motorboats. They also enjoy different number of boat arrivals, ranging from a low of 60 boats for one marina to a high of over 2,800 boats for another. It has to be pointed out that the high number of boat arrivals at that particular marina is largely due to the boating race-cum-exhibition that it hosted that year.

With the exception of two marinas, those surveyed enjoy the overwhelming patronage of foreign-owned boats compared to locally owned ones. In the case of one marina, all the boats calling are foreign-owned. The marinas also recorded considerable difference in the length of stay of crew members ranges from overnight to months. Boats are anchored anywhere from a few short days for transient boats to months on end at berth holders. Several marina operators pointed out that local boat owners tend to anchor longer while foreign boat owners – especially those actively involved in racing - tend to be more mobile, hence anchor their boats for shorter duration.
6.6 Summary of observations

The following is a summary of the salient points of their views obtained from interviews and conversations with them during the ‘From Yangon to Manila Bay: A New Cruising Playground’ Symposium in May 2005, LIBEX 2006 and on several other occasions:

- Malaysia has adequate marinas to cater for the current volume of boats and to the number of boaters arriving at its shores.

- Based on current available berths and additional ones coming on stream, there should be enough capacity at local marinas to absorb more arrivals in the future.

- Malaysia has several marinas which are as good as any international-class marinas, but there is much room for improvement for the level of service of their personnel.

- Instead of spending valuable resources to develop more marinas to the detriment of the demand-supply balance of the boating market in the country, more should be invested to develop the capacity and nurture the competency of existing marinas to cater to specialized segments of the boat market such as the luxury yachts class.

- There is a market of cost-conscious sailors looking for competitively priced services that local marinas should not ignore. In fact, local boaters, who tend to moor their boats longer than short-stay ones, should be seen as a source of stable, if not always lucrative, revenue compared to foreign sailors who come and go.

- In addition to the facilities and services, land access between marinas and the areas of their location is an important feature that makes or breaks marinas. It is in the various interests of stakeholders in marina operations and boating that there is good connectivity between the marinas and the hinterland and the local economy. Marinas should also provide efficient link between the boaters and the ancillary service providers of boating.

- Foreign boaters are not overly concerned about the security situation in Malaysian waters and feel that security at most local marinas is adequate. However, they would like to see meaningful efforts to provide better and sustained security measures to enable them to pursue their endeavours safely and with peace of mind.

- Malaysia should undertake more aggressive campaigns to market and promote its marinas in foreign markets.

- Malaysia offers quality sailing and bountiful natural and cultural attractions that will always draw ‘nautical tourists’ to its shores and boaters to its marinas.

- Malaysia should attain equilibrium between marina development and environmental protection, and must carry out marina development in a sustainable manner.
7. Towards making Malaysia a boater’s haven

The following improvements are suggested to enhance the attraction of marinas in the country and to turn Malaysia into a haven for boaters. They are mainly drawn from the feedback from marina operators and boaters obtained in this study. It is hoped that the views are taken into consideration in promoting Malaysia as a premiere marine tourism destination as they come from people who are directly involved in the boating sector and who genuinely care for its future.

i) Developing marinas in an environmentally sustainable manner

The primary role of marinas is to provide shelter and berthing to boats. In Malaysia, their development takes place in areas which provide natural shelter, bolstered by structures that can reduce or stop water currents within them. Although such structures can be seen as interrupting the natural physical processes of the coastline, the still waters within the marinas nurture the growth of biological communities from the nearby waters.

With most marinas direct access to the seas, it is only fair to expect marinas to play a leading role in marine conservation by protecting and sustaining the sea area around them. To their credit, some marina developers and operators in the country do have a sense of stewardship of the marine surroundings, but the level of environmental consciousness of a few others leaves much to be desired. One marina was surrounded by what was described by a boat owner from New Zealand who regularly sailed to destinations in South East Asia as “filthy”, enough to provide him with a reason not to moor there anymore. Another Australian boater expressed his disappointment that a marina at a popular beach resort was getting increasingly “besieged” by a hodgepodge of development projects that blights its once pristine surroundings. One was even more blunt in his assessment, wondering out loud, “why does a country like Malaysia which is not a premiere international boating destination need so many marinas?”, and doubting the sustainability of not only their business but the environment’s carrying capacity to accommodate such a large number of marinas.

Such a comment is noteworthy considering some marinas in Malaysia are located within a short distance from one another, hence putting considerable strains on their surrounding environment. To boaters, many of whom are environmentally conscious, the development of marinas in observance of environmental sensitivities is a crucial factor in shaping their perception of the marinas and in determining their patronage.

Sometimes, there are competing interests beyond the control of the marinas and yacht clubs which have adverse effects on their environmental surroundings. For example, the manager at a yacht club in Port Dickson lamented the difficulty that boaters face in taking their boats from the marina’s club to the water, owing to the extension project of the beach area by the state government. While the effort to enlarge the beach area is commendable as it provides the public with a bigger recreation area, it puts boaters - hence the clubs as well - at a disadvantage. Such an instance underlines the dilemma that marinas face in preserving their pristine surroundings which provide a critical feature in attracting boaters. Carried out recklessly, the developments and expansion of marinas may run counter to preserving the idyllic environmental setting.
The case of the Kuala Kedah Marina which suffers from severe siltation highlights the importance of location selection in marina development. It was reported that the marina needed constant dredging to rid its surrounding waters of sedimentation to provide an adequate depth for boats to call in.\(^{50}\) Not only is this an expensive undertaking for the marina operators, it is also an environmentally unfriendly exercise that causes adverse effects on the delicate ecosystem around the marina’s site.

Such problems could be avoided if the Kuala Kedah Marina had been developed in an environmentally sound manner. Today, the marina provides a stark reminder of the importance of carrying out exhaustive environmental impact assessment and the observance of sustainable development principles in the development of marinas. Although this approach consumes more resources, the long-term benefits of sustainable development of the marinas’ surroundings and the conservation of their environment are tremendous. These are essential factors for marinas to generate repeat patronage and, more importantly, to protect their environmental surroundings.

Unless under duress or in an emergency situation, no boater is going to go to the trouble of slogging it out at sea to anchor at a marina that is environmentally unattractive. Hence, environmental protection must be made a cardinal rule in the development of marinas in Malaysia to ensure that they can attract boaters and remain attractive so far as long as the marinas are in business. The sustainability of their environment is key to the continuity of their own business. The eagerness to develop marinas to capitalize on booming marine tourism activities must be matched with equally enthusiastic efforts to preserve the integrity of the environment surrounding the marinas.

\(\text{\textit{ii}) Regulating marinas and boating activities in a user-friendly manner}\)

One of the factors deemed by boaters and marina operators to be detrimental to the success of marinas is a set of user-friendly regulations governing the marinas and boating activities. This applies to the Malaysian scenario where several marina operators and foreign boaters interviewed cited the importance of good regulations in promoting marinas and the growth of the boating industry in the country.

Marine leisure, in particular the boating sector, has to compete very hard for consumer expenditure against many other leisure pursuits. The leisure market is fiercely competitive as increasingly discerning consumers are becoming more spoilt for choices in the face of so many activities and attractions. As such, regulators must grasp the fact that the rules for such a market must be developed in a manner consistent with the very reasons the consumers engage in such pursuits. Regulations of leisure activities are essential but they must not be overbearing and spoil the fun and enjoyment sought by those who pursue the activities. More so for boating which is a recreational pursuit undertaken by a unique group of holidaymakers who enjoy the freedom at sea and often have little tolerance for fussy rules and procedures on land.

\(^{50}\) ‘State floats masterplan to salvage Kuala Kedah marina’, The Star, 6 May 2006.
As such, leisure boating regulations must be drawn in a manner completely different from merchant shipping which, needless to say, is a much more serious pursuit. The tendency of regulators to draw from commercial shipping in developing boating regulations is ignoring the fact that the two activities are a world apart and have to be regulated differently. Failure to observe this would result in boating regulations being perceived as user-unfriendly and bureaucratic, hence putting off sailors to sail to our shores and for the public to pursue boating activities.

Boating activities in Malaysia is carried out in a loosely regulated environment. The emphasis on the word ‘loosely’ is added as there are indeed regulations in place overseeing boating activities in the country. However, the regulations are not always observed by the regulated nor strictly enforced by the regulators. The most glaring is in the sailing of boats and yachts which seem to be in a state of free-for-all. Anyone who can afford to buy them can take to the water, even without registering the vessels or having the competency to man them. This is despite the fact that under the Merchant Shipping Ordinance (MSO) 1952, all commercial, fishing or leisure vessels are required to be registered. With the amendment of the act in 1994, all boats plying at any port, river or place in Malaysia have to be licensed. This requirement, unfortunately, is not always observed by boat owners and is not enforced by the authorities.

It is important that the requirements stipulated in the MSO 1952 and its amendments are enforced to facilitate a more systematic management of recreational boating in the country. In addition, there should also be a distinct set of regulations for marina development and operations to ensure a degree of orderliness. Efficient regulation of marinas and boating activities will provide a crucial platform for the introduction of international best practices in the country for marinas to be operated and boating activities be carried out in a proper, safe and environmentally sound fashion. This will augur well for the government’s aspiration to enhance the profile of the country as an international-class marine tourism destination and to promote local marinas and boating activities in Malaysia.

Although many marinas offer fuss-free processing of arrivals, a few are deemed to be boater-unfriendly with a long list of fussy processes that result in unreasonably long waiting time for boaters to obtain clearance to berth. In this respect, the speed of vessel, Customs and immigration clearance at marinas is crucial. There are few things higher on a boater’s agenda upon arrival at a marina than to obtain hassle-free clearance for his vessel, crew and load, to get a good rest and to explore the land beyond in pursuit of adventure, shopping, dining and entertainment. In facilitating these in a smooth fashion and within a short window of time, the processes involved in the notification of arrival and in Customs, immigration and vessel clearance should be carried out quickly and efficiently. It would be so much better if these processes could be completed electronically to spare boaters the time and effort of filling out forms and dealing with reams of documentation.

51 MSO 1952 is the legislation that governs maritime activities and infrastructures in Malaysia.
52 Personal communication with boaters at ‘From Yangon to Manila Bay : A New Cruising Playground’ Symposium in May 2005 and LIBEX 2006. They name a few small marinas in the country as the guilty party.
Besides facilitating the arrival and departure of boats at marinas smoothly, other aspects of boating should be made just as accommodating to attract the public to pursue boating. Processes and procedures involving sale and purchase, financing, insurance, ownership and registration of boats should not be made too cumbersome. This requires the relevant institutions and agencies to facilitate boating activities in a smooth manner to attract boaters to Malaysian marinas and to promote boating among the masses.

Towards this end, the introduction of the Langkawi International Yachting Companies Act 2003 is a laudable step to promote the island as a premier yachting destination in East Asia by way of promoting Langkawi corporations involved in yachting activities. The implementation of the Langkawi International Yachting Companies Act 2004 also helps to facilitate the smooth establishment of yachting-related international companies and encourage them to make Malaysia their operational bases in this region.

Nevertheless, such laws by themselves are not enough; they must also be accommodating, friendly and responsive. Even a premier boating destination like Phuket was said to suffer from outdated laws and regulations hampering its further development. Realizing the need to attract boaters in the face of rising competition from regional countries, the Thai Government was reported to be planning to repeal or radically amend excise tax legislation which was adversely affecting the growth of yachting in Thailand. This underlines Thailand’s all-out approach to retain the patronage of regular boaters and attract new ones to its shores.\(^{53}\)

Malaysia would do well to emulate such level of responsiveness to encourage boat ownership and promote boating activities in the country. By being responsive to the needs and expectations of boaters, appropriate steps could be taken to encourage their patronage to local marinas. Wherever appropriate, existing laws and regulations which are deemed as customer-unfriendly need to be reviewed to keep up with the dynamic boating market and to meet the fickle and demanding nature of international boaters. Having boater-friendly regulations overseeing marinas and boating will augur well with enhancing Malaysia’s attraction as a leading boating destination.

### iii) Intensifying marketing efforts of marinas

It is observed that in general, marina operators in Malaysia do not conduct sustained campaigns to promote and market their services. While some operators have taken to using savvy marketing tools such as the Internet and linking their websites to the websites of other marinas, boating associations and tourism agencies, others lack a comprehensive marketing plan to reach a broader audience which can provide them with the patronage critical to their business success.

As the number of people pursuing the boating lifestyle grows in the region, it is essential that Malaysian marinas expand their marketing effort to tap into the growing marine leisure market and enhance their geographical reach. This is essential from a branding perspective as more marinas are built in the region and competition among

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them to attract boats is becoming more intense, in addition to the already fierce rivalry among local marinas. To gain competitive edge, it is crucial that marina operators implement advertising and promotional campaigns and undertake sustained business development efforts to reach potential clientele and to retain the loyalty of existing ones. Such effort could involve the following activities:

- Targeting the print, electronic and Web media in a cost-effective manner to tap into the boating, lifestyle and tourism markets.

- Undertaking sustained and creative PR campaigns to ensure constant and maximum exposure in the public eye.

- Offering incentives such as privilege berthing for frequent patronage, loyalty program and discounted berthing fees for boaters who introduce new sailors to the marinas.

- Building international reach by having representatives in the host countries of target markets. For example, Malaysian marinas could tie up with their foreign counterpart or travel agencies in China, a potentially huge and booming market for marine leisure tourists, to promote the facilities and services to Chinese tourists.

- Tying up with tourism agencies by developing exciting tourism packages, and working with the tourism authorities to ‘sell’ Malaysia as a boaters’ paradise.

- Engaging in strategic alliances with each other and with marinas in the region via joint races and rallies. This would help enhance their profiles and generating promotional mileage.

- Undertaking regional promotion campaigns via the association of marinas with the support of local and Federal the authorities.

It is high time that Malaysian marina operators put in more concerted effort to capture lifestyle trends in order to gain a strategic and competitive advantage through innovative marketing strategies. In light of growing competition from regional marinas, there should be a more systematic approach towards promoting local marinas and in helping them to reach their target markets. Merely adopting a ‘build it and they will come’ approach no longer works in an industry which is increasingly competitive and whose consumer needs are getting sophisticated. For marinas which already having a semblance of marketing and advertising strategy, they should be more aggressive and creative to retain regular clientele and to tap into new customers.

iv) Leveraging on local attractions to package Malaysia as a unique marine leisure destination

The boating community is unique compared to other types of tourists in the sense that boaters are always keen to explore new destinations at sea and on land. While the oceans and beaches may look the same to them, they are keen to savour different attractions offered by the host countries where they berth. From the point of view of
boaters from outside the region, they see Asia as one huge sailing area, not a region made of different countries.\textsuperscript{54} The nature of boats and boating is such that very few boaters make a single stopover during a journey. Most call at several countries and undertake a ‘marina-hopping’ voyage to get a good rest, give their vessels a good scrub and replenish their supplies, and experience the adventure and attractions that the lands beyond the marinas have to offer.

Based on these characteristics of boaters, it is important for Malaysia to develop a niche by offering something extra to attract them, make their stopover memorable and whet their appetite to come back for more. Other countries in the region are aggressively marketing their attractions at sea and on land by promoting their natural attractions, culture, food, facilities, services and many other ‘pull factors’. In an area featuring common attractive features such as good weather and excellent marine environment, marinas in South East Asia need to compete very hard to lure in the boats and make their owners stay and spend as much time on land as possible, and come back often.

To survive the competition, Malaysia must strive to promote a complete, memorable experience to boaters beyond offering good marina and boating facilities and services. Beyond the beauty of its marine attractions, the country is blessed with a stunningly diverse and rich culture and an amazing landscape that can be optimized to promote Malaysia as an irresistible destination for boaters. The multi-racial composition of its people, traditional arts and crafts, mouth-watering cuisine and many other attractive features can be ‘package’ together with its spectacular natural surroundings to make Malaysia a must-go destination. A more systematic and aggressive campaigning will help generate more tourists arrivals into the country, which in turn translates into more arrivals of boaters and better business for its marinas. Continuous and more creative efforts should be made to sustain the euphoria and interest generated by the Visit Malaysia Year 2007 campaign to entice tourists and boaters to our shores in the years ahead.

It is said that a country offering memorable experiences for tourists almost automatically markets itself. Often, it does so most effectively via word of mouth. Satisfied boaters and sailors inadvertently act as ‘unofficial’ promoters of a country when they share their pleasant holidaying experience there with their counterparts elsewhere. Malaysia must hence pull all the stops to make the stay of these unique holidaymakers memorable to the extent that they would not hesitate to recommend others to sail to our shores.

\textit{v)} \textbf{Promoting boat races and rallies in a systematic manner}

There has been an unmistakable spurt of growth in boating races and sailing events in the South East Asian region of late.\textsuperscript{55} While Malaysia has joined the bandwagon by hosting several high-profiled events, it should take full advantage of the growing

\textsuperscript{54} Personal communication with boaters at ‘From Yangon to Manila Bay : A New Cruising Playground’ Symposium in May 2005 and LIBEX 2006.

\textsuperscript{55} Based on various articles in Asia Pacific Boating (various issues), Sea-Yachting (various issues) and the many international boating events and yacht rallies held in the region in recent years.
presence of boaters in this region to promote its marinas more aggressively. The good times are rolling and it is indeed time to make hay while the sun shines.

While efforts to introduce new races such as the Monsoon Cup in Terengganu are laudable, questions have been raised on the long-term viability and the sustainability of such an event. Although the Monsoon Cup has boosted the development of marine tourism infrastructures such as the Pulau Duyung marina and waterfront, and has generated positive multiplier effects to the local economy, it remains to be seen if the event can be sustained and can truly make its mark in the crowded boat-racing calendar. A comprehensive cost-benefit analysis should be done to evaluate the prospect of the return on investment of the event and assess if the resources spent could be better used to promote marinas and boating in Malaysia more effectively.

The increasing popularity of the South East Asian region as an international boating destination suggests that yachting is fast spreading beyond its traditional routes. Malaysia should capitalize on this trend and invest in facilities to attract more prestigious events to its shores to pull in more boaters. Such events will result in a multiplier effect of big-money investment pouring into the yachting sector and into marina development. The successful staging of various international boat races here should be used as a stepping stone to organise more events of such scale and magnitude to attract more boaters on a regular basis.

Malaysia could perhaps take the cue from countries such as Australia and Thailand where yachting regattas and boat races are branded and promoted as major tourism events. Such events not only generate business for their marinas but also result in economic spin-offs to their entire marine tourism and hospitality industries. Although several high-profile events have been and continue to be held in Malaysia, some of them have not been carried out regularly or organized in the manner of boating events in other leading boating countries to catalyze spin-off effects to the local economy.

Efforts should also be made to organise events to include local boaters, especially in areas where there is a sizeable community of enthusiasts. For example, Langkawi, where a good number of local boaters congregate and whose marinas enjoy healthy patronage by visiting local boats, could host regatta events for local boats. The boaters could provide the critical mass to the local marinas to stage races and rallies.

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56 According to a foreign boater at LIBEX 2006 who attended the inaugural Monsoon Cup in Terengganu in 2005, he would ‘keenly observe’ the progress of the race in the years to come. Having participated in several sailing races around the world, he cautioned that the best racing teams are only keen to participate in races where ‘big money’ are offered. He said that for a new event like Monsoon Cup to continue to pull in the top teams – many of which are already saddled with a hectic calendar and are committed to other events offering more lucrative prize money – ‘big money’ sponsorship will be crucial. He stressed that for sponsors to come in, the event itself must be profitable and must generate positive multiplier effects to the host marina and the local economy, hence creating a win-win situation for all involved. No marina or country, he cautioned, would be able to sustain hosting an event like the Monsoon Cup ‘if the economics of it is not favorable’.

57 According to a report by an independent auditor, a total of RM20.07 mil. was spent on organizing Monsoon Cup in 2006 and RM315 mil. ‘worth of benefits’ was generated. The report also stated that the event pushed the Terengganu state’s tourist arrival up by 26% that year. See ‘Manifold benefits from Monsoon Cup’, The Star, 28 March 2007.

58 For example, an international event such as the King’s Cup Regatta during the Phuket Race Week in the famed Thai island resort typically attracts a host of providers of ancillary services and facilities, and contributes substantially to the local economy.
on a more frequent basis. Such events for the locals can unearth home-grown talents, whip up interest among the local public and contribute to the local economy.

Some important aspects that must be taken into account in organising successful rallies and races include:

- Scheduling the events to be in harmony with the international sailing circuit calendar to attract top teams. As teams compete in many events across the world, the timing of the races must be planned in a manner that top teams have reasonable time to recover, plan and travel between regattas. The presence of top teams and leading sailors at sailing events attract huge interest and generate much needed sponsorship to sustain the races later. In turn, with bigger audiences and a higher profile, more sponsorship can be generated, resulting in bigger prize money offering that attracts the renowned sailing teams. For such a virtuous cycle to occur, the timing of the events must be meticulously planned first and foremost so as not to exert teams too strenuously and stretch the organizers’ resources to stage the races too thinly.

- ‘Designing’ the races to offer exciting challenge to competitors to attract good teams and to ensure repeat participation. Again, a cycle is at work: challenging events will naturally attract the best teams, hence pulling in the sponsors and attracting media coverage. The staging of the Monsoon Cup in Terengganu, a race designed with the challenging monsoon winds in mind is a good example of this premise. It offers a one-of-a-kind challenge to sailing teams, attracts media coverage to a worldwide audience and highlights Malaysia’s attraction as a boating destination. All these generate a positive vibe in enhancing the attraction of the event and, in return, pulling participation from the top teams.

- Ensuring events are well-managed to keep sponsors, teams and audience coming back for more. Just like in any other sports or pursuit, sponsorship of boat races brings with it the pressure for race organisers to deliver value to the sponsors. Much like investors wanting to see a return on their investments, race sponsors demand results in the form of significant media coverage and value for their sponsorship. To achieve these objectives require that the events are managed professionally, and well-managed events will in turn generate more sponsorship. As with many sporting events, success will come to those which are well planned, well designed, well publicized and well managed. Such events almost always pull in big crowds and attract huge media coverage, hence ensuring that they are well sponsored.

These are among the critical success factors in organizing successful races and rallies. Successful races need good facilities, hence marinas must step up to the plate to offer the kinds of boating related facilities and infrastructure such as media, telecommunications, accommodation, hospitality and leisure to cater to the surge of boats and crowds during boat races and boating events. Supporting facilities such as airports, hotels, entertainment, eating and shopping outlets, and many others, should also be adequate to handle the influx of visitors during such events.
Competition is also heating up in the region to attract boaters via boat races. Authorities in popular boating destinations like Phuket in Thailand, Singapore and Hong Kong have not sat on their laurels and have continued to develop their infrastructure and improve their services, hence enhancing the attraction of established marinas and the events they host. Even Vietnam, a country not normally associated with high-end leisure pursuits, is developing marinas and has been successful in attracting big names in boating such as Sunsail, the biggest charter company in the world to set up operations there. No doubt with these developments, Vietnam will soon get into the act of organizing boat races and regatta events as a means to promote their marinas. Already, Vietnam has successfully co-hosted the Hong Kong-Vietnam boat race, and it will only be a matter of time before it builds up an event from its end to build up on its growing popularity as a boating destination.

In the face of such competition, Malaysian marina operators should enhance their facilities and services as the rivalry heats up. They must work at upgrading their facilities and intensifying their marketing efforts to stay in the loop of racing and rallying events and to maintain their profile amongst boaters. Boating is an international pursuit; as such, Malaysian marina operators must think beyond the confines of limited parameters to survive and stand out and grow their business.

Events such as races and regattas not only benefit the marinas and the boating industry but the local community as well. Big events naturally attract a lot of people who spend on accommodation, food, entertainment, souvenirs and all kinds of services. While no estimates for local events is available, a typical international event like the King’s Cup Regatta in Phuket, Thailand, pulls in around 1,500 people estimated to pump in US$1 million to the local economy.59 No doubt a high-profile boating event such as the Monsoon Cup would have a similarly positive impact on the economy of its host state, Terengganu.

A word of caution: there is a danger of equating the success of boating events with the size and the amount of money spent to organise them. The nature of some races dictates that their organisers will refrain from enlarging them to the size of big international events such as the Phuket’s King’s Cup. The size of sponsorship plays a significant part in influencing this decision. There are short-duration regattas, or even races organized for corporations that are not high profile and there are also events which are held once in a few years. Such events may not be televised or may not enjoy wide media coverage, but they bring in boats and people all the same, and offer a great platform to promote boating to the public. These are the kinds of events which Malaysia would do well to organise on a regular basis, rather than spending huge amount of resources on intermittent or one-off events whose returns or benefits can sometimes be disproportionate to the resources spent.

In general, racing boats move around a lot, hence they call at marinas often provide a good source of revenue to the marinas. However, the lack of racing boats berthing at local marinas should not deter attempts to lure these types of boats. The local marinas could perhaps tie up their marketing efforts with regional boat charterers to organize small events based around smaller boats. Such a strategy can help create the critical

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59 Estimated by Simon James, Regatta Director for King’s Cup and the person in charge of regional sales and marketing for Sunsail, the world’s largest boat chartering company.
mass necessary for the marinas to develop their business further. Local events could in turn be associated with bigger events and regattas, acting as a ‘leg’ of premiere races.

There should be no shame in latching on to and exploiting the popularity of big international events, in the name of luring boats to local marinas. Some good examples of this strategy include the Raja Muda International Regatta hosted by the Royal selangor Yacht Club in Port Klang which forms part of the Omega Asian Yachting Circuit, and the Malaysian leg of the Darwin-Bali-Langkawi Rally hosted by Telaga Harbour Park Marina in Langkawi.

vi) Developing ancillary services for boats and boaters

To attract more boats to local marinas and to encourage boat ownership in the country, Malaysia must offer a comprehensive and competitively priced range of ancillary services related to boats and boat owners. Towards this, the following should be made available:

- Maintenance services and onboard supplies and equipment. Some yacht owners docking at the smaller marinas in the country lamented that they had to depend on shipyards to carry out maintenance on their boats and had to source out supplies and equipment on their own, and at times even carry them on board their vessels themselves. Such a situation is not conducive to attracting their patronage further and to getting them to encourage others to call at such marinas.

- Competitively priced facilities and service charges and marinas to enable visiting boats to berth longer and spend more time visiting the country.

- More agency link-up between local manufacturers of pleasure crafts with more prestigious counterparts abroad.

- Attractively packaged marine leisure holidays and cruise, using local marinas as bases.

- Fly-cruise link-up between marinas and airports to tap on the increasing popularity of the arrangement among international holidaymakers.

- Improvement in the range and quality of infrastructure and services in marinas to serve higher-end clientele.

- Provision of ancillary services such as registry, financing, insurance, brokerage, legal, designing, crewing, chartering and yacht management, among others.

The ability of established boating nations can be largely attributed to the comprehensive range of ancillary services they provide in support of their marinas and boating activities. A chicken and egg situation persists: suppliers and vendors would not be motivated to set up operations in a country to support boating activities if the critical mass of boaters does not exist there. For that to happen, marinas must
play their part to beef up facilities and upgrade services to cater to high berthing occupancy. However, marina operators would not be motivated to invest in extra capacity and personnel if boat arrivals could not be guaranteed.

vii) Encouraging public participation towards creating a critical mass

It is natural that people shun activities which they are not familiar with. Leisure boating has never been, or perhaps will never be, as commonplace as driving, and boats will never be as ubiquitous as cars. As a sporting pursuit, boat races will never reach the popularity and generate mass participation enjoyed by a sport such as football. However, this should not render the future of boating in the country as a no-hoper.

In whipping up interest and in developing a ‘boating culture’ among the public, boating as an activity must not be branded as an elitist and luxurious pursuit for the rich few. While the reputation associated to owning and sailing a boat is inevitably one of a jet-setting lifestyle and luxurious pursuit, sailing as an activity should not be confined only to the select few. In generating public participation, the following must be provided or achieved:

• Making information about the A-to-Z of boats and boating available to the public via promotional campaigns, exhibitions, seminars, try-outs, co-curricular programs in schools, institutions and public places as the crucial first step of generating public awareness and building interest.

• Making simple boats such as dinghies easily available for the public, either by offering them for rent or selling them at affordable prices. For aspiring boaters to develop the interest to own boats - as a natural progression of their interest in sailing - a slew of supporting services must be in place such as advisory, financing, registration, dealership and maintenance services, among others.

• Making boating and yachting clubs easily accessible to the public to learn the ropes of sailing and to undergo formal training to sail. Sailing programs should be introduced to the public - preferably at school level - to generate awareness and interest among the locals and to develop their sailing skills. The fees for sailing and yacht maintenance courses for the public should also be made affordable. Related programs should be made accessible in terms of venue and convenient in terms of timing and duration.

• Making marinas easily accessible to the public by providing access roads and other linkages to enable the local community to benefit from marina operations and their clientele. Marinas should also provide adequate facilities at affordable rates to facilitate local boat owners and water sports enthusiasts to have a launching pad to pursue their interests.

• Providing continuous support to aspiring boaters and sailors in terms of giving expert advice on improving their skills, conducting workshop on yacht maintenance, organising sailing trips, and ultimately purchasing boats and
entering races. In this regard, boating and sailing clubs and associations could play a central role, in collaboration with the relevant authorities.

In this respect, Malaysia should continue to capitalize on Langkawi’s strategic location and popularity as a boating destination to lure more boats sailing in the region. To take it one step further, the island should be designated as a national base for boating activities to create the much-needed critical mass of local boaters. Rather than spending valuable resources on establishing new bases and more facilities, existing marinas should be optimally used as a platform to achieve the target of ‘spreading the sails to the masses’. The role of the government is critical in facilitating a sustained nationwide campaign to promote boating among the people.

Once critical mass is established in Malaysia, boating events can and should be staged frequently. Langkawi should be poised to facilitate more events at it can rely on existing marina infrastructure and attract the boats already in the region to attend Malaysian-based events. The island is already quite successful in attracting boats moving around from one coast to another in the region, mostly cruising between the waters between Singapore, Peninsular Malaysia and Phuket, and should therefore continue to build on this. More events should be organised to attract more boats from the region to sail towards the island and berth at its marinas, as a means to further catalyze the growth of the critical boating mass. More boats mean more business for marinas, and this will afford their operators with the resources to promote boating to the general public. Freed of bottom-line concerns and relieved of worries over increasing competition, marina operators can then play a more proactive role in helping the government realize its ambition of popularising boating in the country, and hence turning Malaysia into the preferred boating destination in the region.

viii) Organising more high-profile boating-related events

Segment-specific boat races and shows such as those focusing on super yachts and charter leisure vessels are rare in Malaysia; not surprising given the small boating community in the country. It is unclear though if such shows generate strong sales as statistics are not available, although companies almost always clinch some business and strike new deals at such events.60 It is also observed that public turnout at such events is typically low, if not downright disappointing.61 The few who attend boat shows do so out of curiosity and among them, not many are serious about buying.62 This supports the commonly held view of the public that boating is an expensive, elitist pursuit and is not an activity that tantalizes the masses.

Another commonly heard observation among industry players is that the boat events in Malaysia often appear to be organised for the benefit of the organisers instead of the public. As such, many such boat events and shows suffer from poor turnout among the public. A case in point is a boat exhibition held at a local marina in 2006

60 Personal communication with exhibitors at LIBEX 2006.
61 An official of a company organizing boat shows in Malaysia expressed his disappointment that public turnout at events and exhibitions organized by the company was always ‘way below’ the numbers that it would have liked.
62 This was the impression obtained from speaking to several visitors to the exhibition booths at LIBEX 2006.
which only managed to attract a small number of visitors residing in the locality. Those interviewed in several parts of the marina vicinity were not even aware of the event, and among those who were, few had the intention of attending the exhibition. What was striking was that the few ‘walk-ins’ who bothered to attend - presumably with a passing interest in boating or just doing so out of curiosity - did not find the exhibition interesting. This is partly a reflection of the lack of effort on the part of the organiser to attract the attention of the general public and to get them to come to the events.63

The spate of boat shows on the local exhibition calendar these days only reflects the eagerness of organisers to jump into the marine leisure bandwagon. The number of boat shows held in Malaysia does not offer a true reflection of the state of supply and demand of boats and berths at marinas, nor does it provide a reliable indicator of the readiness of the country to facilitate a large-scale leisure boating industry. As such, local boat shows alone may not be a dependable barometer of the growth and prospect of boating in Malaysia. To some observers, more pressing concerns such as the lack of a master plan for marina development and the low number of boatyards capable of building leisure vessels for the export market provide a better measurement as to where the local boating industry stands, instead of the number of boating events held.

ix) Making competitive financing easily available for boat purchasers

In order to develop the boating market and to encourage more people to take up boating, the ownership of boats and yachts should be made easy. One of the most critical first steps towards achieving this is to provide financing schemes for the purchase of leisure crafts at competitive rates. For this to happen, a change in the mindset of financial institutions would be required in order to develop a more ‘friendly’ view towards the purchase of leisure boats. Only when competitive and easily accessible financing is made available - as the all-important first step of buying boats - can the other pieces of the jigsaw be put into place to promote boating among the public in Malaysia. This view was strongly echoed not only by boat dealers - who would obviously benefit directly from higher sales turnover - but also by several marina operators and ancillary service providers interviewed.

On this score, Malaysian financial institutions should complement the Government’s effort to encourage ownership of pleasure crafts in the country by being more receptive to boat purchase. The government provides import duty exemption to pleasures crafts and financial institutions should match such support by offering incentives of their own, perhaps by means of introducing special financing schemes at competitive rates for leisure boat purchase. In this respect, the boat financing practice of Hong Kong, a world leader in recreational boat ownership where banks are very supportive in financing boat purchase, should be emulated.

63 Mr KC Thein, Managing Director of Explorer Marine Sdn Bhd, hopes to address this situation by organising a ‘carnival’ type of boat exhibition for the public instead of the usual trade-flavoured events pitting buyers and sellers. The company’s more relaxed concept of a ‘boat show’ - complete with lucky draws for visitors - is held at its premise in Seri Kembangan, Selangor, instead of the usual marina premise usually deemed inaccessible to the public. While he welcomes business during the show, his intention is more to generate interest among the public in boating. He believes that such a show is a form of investment that can generate more sustained and lucrative long-term returns and benefits, which to him are equally important as short-term sales figures.
x) Improving the management and administration of marinas

While some marinas are well-managed by experienced teams, others could use an injection of a higher degree of professionalism in their approach. It would be beneficial for local marina operating companies to team up in joint ventures or strategic alliances with internationally renowned marina management companies. One such example is the partnership between Sebana Management Sdn Bhd, which manages Sebana Cove and Marina Resort, and Superyachts Pte. Ltd., a Singaporean based company with experience in developing, owning, operating and managing yachts, marinas and other tourism-related infrastructure around the world. The expertise that such foreign companies offer can instil a more business-like approach in the management of local marinas. Such strategic tie-ups would also help bring them up to the standards of international best practices of marinas to elevate their business performance and their levels of services.

xi) Focusing on human resource development

The adequacy and quality of personnel in a hospitality-based facility like marinas is essential in providing international-class services to sailors. In a region replete with marinas offering good facilities, the quality of services provided by their staff, especially the frontliners, often make or break marinas.

Underlining the importance of good services, all it takes is for a boater to have one bad experience in dealing with a frontline member of the staff at a marina to sour his perception of that place. This could create a lasting negative impression of not only the marina in question. A particularly unpleasant encounter with unhelpful, rude or poorly trained marina frontline personnel could discourage boaters to return to the country’s waters and drop anchor at its marinas again. Even worse, the recipients of poor services could spread their bad experience to other boaters and dissuade them from visiting the country.

In light of the anticipated influx of visitors coming into the country during Visit Malaysia Year 2007, it is critical that adequate and well-trained staff is on hand to greet them and cater to their needs. Substantial and sustained investment must be allocated on human resource development in marinas and other related ancillary services and activities to train and upgrade the technical, operational and ‘soft-skills’ of personnel in order to provide top-notch services to boaters.
8. The way forward

It is said that buying a boat is easy, but enjoying it is not. Making boating a pleasant experience depends on a host of after-purchase factors and many elements. For a developing country like Malaysia where boating is still at its nascent stage of development, not all facets of boating are available or adequate compared to in more mature markets.

The provision of excellent facilities and services at several marinas and the staging of many high-profile international boating and yachting events in Malaysia augurs well with putting the country on the international boating map, which it has succeeded in doing to a certain extent. However, there remains much room for improvement and more work to be done for Malaysia to be truly considered as a boating destination par excellence. The industry players and boaters interviewed in the course of this study pointed to several issues that need to be addressed. Among the notable issues include the lack of a coherent marina development strategy, the lack of regulations and strict enforcement of marinas and boating activities, poor promotion of available marina facilities, inadequate facilities to cater to high-end leisure boats and the low standard of services at some marinas. While not all of the issues are applicable to all of the marinas in the country - as they have different levels of capacity, facilities and services - the ‘common’ concerns need to be acknowledged and tackled in a resolute manner for Malaysia to improve its standing as a boating destination of repute.

The lifestyle needs and preferences of 21st century consumers demand a more systematic and coordinated approach from marina operators and marine tourism stakeholders to attract tourists. The ‘build it and they will come’ approach has no place in an industry with growing capital outlay, rising operational costs, rising competition and increasing consumer sophistication. Modern-day tourists want more than just amenities and services; they have grown to expect excellence.

As such, marina operators need to be more innovative and systematic approach to attract customers beyond providing them with facilities and amenities. In doing so, they should employ and train marketing specialists to draw up systematic strategies to identify and reach the target clientele and to undertake a sustained promotional campaign to promote their marinas. Through a thoughtful marketing approach - as practiced by the world’s top marinas - Malaysian marina operators can market their marinas more effectively to enlarge their business and drive their growth.

The country’s marinas should also take the cue from the best practices of the leading international marinas in established international boating destinations in introducing data management techniques to track customers’ profile and sailing habits. This could be useful in strategizing their marketing campaign and building a strong customer base. Besides keeping existing clients happy, marina operators should also devise strategies to reach out to untapped customer bases including the local boaters and owners of modest-size vessels and to attract ancillary service providers to set up operations around the marinas to support these boaters.

As more people immerse themselves in the ‘marine lifestyle’, more boats will be bought and sold in the region and more of their skippers and fellow sailors will be looking for new ‘playgrounds’ to sail to. Their growing number will create the demand for more berths and services - hence more marinas - in the coming years. This free-spirited but increasingly discerning market segment will not only demand basic facilities and services, but expect
better facilities and services and more attractions to lure them to sail to Malaysian shores. With the steady rise in the number of marinas in neighbouring countries and the continuous improvement of their facilities and services, there will be greater competition for Malaysian marina operators and tourism industry planners to hit the right notes to attract more boaters to call.

To address the current situation on the lack of a critical mass of boaters in Malaysia, the stakeholders could perhaps explore the idea of creating a boating cluster that would group owners and enthusiasts in a designated locality. This would create a community of boat owners which in turn will lead to the development of ancillary services to serve the boating market. Such a situation will generate spin-offs and a chain of positive multiplier effects as more boats means more business for boating vendors, services providers and the economy in general. The development of clusters such as the Multimedia Super Corridor for IT and Proton City for the automobile industry could possibly serve as a model towards the creation of such a concept for boating and to spur its growth in Malaysia. A location like Langkawi - already renowned for its excellent marinas, ancillary services support and natural attractions – could provide an ideal location for such a boating cluster to be developed.

Although Malaysia is steadily carving a name for itself as an international boating destination of choice, marina development and boating in the country is still a diamond in the rough. But what a diamond it could turn out to be if its many facets could be given a serious polishing. Malaysia definitely has what it takes and is blessed with many features – natural or man-made - to become a major boating destination. What is required is for the industry players and policymakers to work in concert to introduce a total boating solution to provide a fuss-free, enjoyable boating experience to sailors and other ‘marine tourists’ – foreign and local.

It will be interesting to see how Malaysian marinas are going to compete with one another in the small domestic market and with international marinas in an increasingly competitive market to attract boaters and their tourist dollars. The marina operators have to adopt differentiation strategies, provide adequate facilities and find the resources and personnel to provide good services to lure more boaters to their premises. As there is not really a whole lot separating the attraction of one marina in the region from another in terms of their facilities and the features of the host country, the quality of services they provide will increasingly play a telling role in luring boaters to call. No amount of impressive infrastructure and natural beauty can be compelling enough on their own to attract boaters to a particular marina and country without the quality of services to match the facilities and natural attractions. To reach a high level of service – as benchmarked against marinas in the world’s premier boating destinations - much resources and effort need to be spent on human resource development and training to provide adequate and well-trained workforce in the marinas and in the ancillary services sector. Such a workforce will be critical to cater to the influx of boaters and to attract previous and new visitors to set sail to Malaysian shores.

This study has pinpointed several issues faced by local marinas and the boating sector and has recommended remedial actions to improve the performance of these crucial infrastructures and this increasingly popular pursuit. However, much more needs to be done beyond what is recommended to make Malaysia a boating destination of choice. Beyond addressing the issues and improving current weaknesses, it would be most ideal to integrate and synergize marinas and boating with other segments of the marine leisure industry and with other tourism-related infrastructures and activities. There could well be a strong case for Malaysia to draw up a masterplan for the development of marinas and the promotion of the
boating sector to provide the kind of solid platform and focused approach needed for the country to truly make a mark on the international boating map. The combination of a long-term strategy, thoughtfully developed and efficiently managed marinas with excellent facilities and services, and a well-developed and well-regulated boating sector would act as the perfect springboard for Malaysia to attain the status of a boating haven and a marine tourism paradise.

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